GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:3258
ANSWERED ON:15.04.2002
PRICE OF AGRICULTURAL COMMODITIES
CHANDRA NATH SINGH

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the price of agricultural commodities are falling whereas the costs of agricultural production are rising day by day;

(b) whether cheap agricultural commodities are also entering in the country after lifting Quantitative Restrictions on imports by the Government;

(c) if so, the steps taken/propose to be taken by the Government to check this trend;

(d) whether any proposal to increase plan outlay on agriculture for completion of agricultural projects is pending in the country; and

(e) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a): The cost of production of agricultural crops depends on cost of cultivation and productivity. Accordingly, in case the productivity increases at a higher rate than the increase in cost of cultivation, the cost of production of such crops may actually decline. Conversely, the cost of production may increase. Thus seen over a period of time, the cost of production shows a fluctuating pattern.

(b)&(c): Government have put in place a suitable mechanism for import of sensitive items and are committed to provide adequate protection to the domestic producers by resorting to various WTO compatible measures, which include appropriate calibration of applied tariffs within the bound levels, imposition of anti-dumping and countervailing duties and safeguard actions under certain specified circumstances.

(d): No, Sir.

(e): Question does not arise.